

DRAFT - COMPETITIVE AFFIDAVIT - OKLAHOMA

January 27, 1998

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

Application of SBC Communications Inc.,
Southwestern Bell Telephone Company, and
Southwestern Bell Communications Services,
Inc., d/b/a Southwestern Bell Long Distance,
for Provision of In-Region, InterLATA
Services in Oklahoma

CC Docket No. _____

AFFIDAVIT OF GEORGE R. ELIZONDO

STATE OF TEXAS)
)§
CITY OF DALLAS)

I, George R. Elizondo, being of lawful age and duly sworn upon my oath, do hereby depose
and state as follows:

1. My name is George R. Elizondo. My title is Area Manager - Competitive Analysis for
Wholesale Marketing, Southwestern Bell Telephone Company (SWBT). My business address
is Four Bell Plaza, Room 1460.02, Dallas, Texas 75202.

PROFESSIONAL EXPERIENCE

2. I began my career with SWBT in 1972. I have served in various positions and locations
managing different aspects of SWBT's area and headquarters operations, including Equipment

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Engineering, Network Training, Personnel Development, Retail Marketing and Wholesale Marketing. My career began in equipment engineering where I was responsible for the forecasting, planning and provisioning of toll facilities. This included additions and replacement of long haul carrier systems for intraLATA toll. Subsequent to that (1978 - 1988), I held various positions in Network Training and Personnel Development, responsible for managing the development of company training programs for management and non-management personnel. This included technical and non-technical training. From 1989 to 1996 I was part of the Retail Marketing organization which managed the development of new products for large business. This included the development of Southwestern Bell's new Internet Access Service, which has been recently implemented. I accepted my current position as Area Manager - Competitive Analysis in December, 1996.

SUMMARY AND INTRODUCTION

3. This affidavit presents the status of local exchange competition in the state of Oklahoma. Other affidavits describe what SWBT is doing to open its network to competition. However, this affidavit will focus specifically on the actual Competitive Local Exchange Carriers (CLECs); how and where they operate; and the market(s) they are addressing.
4. CLECs are operational in Oklahoma and have won thousands of customer lines from SWBT. Facilities-based CLECs have concentrated their efforts in the metropolitan areas of Oklahoma City and Tulsa to position themselves to reach SWBT's largest and most lucrative local market. Facilities-based CLECs are targeting business customers in Oklahoma and are now serving residential customers through resale as well. Certainly CLECs have

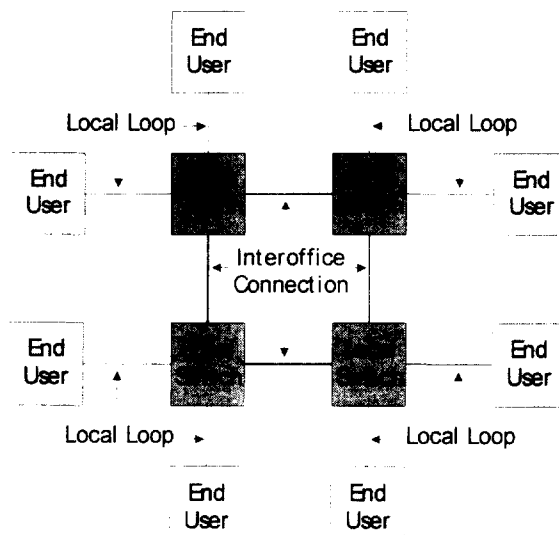
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demonstrated they are capable of serving residential customers, even if at this time many CLECs in Oklahoma have chosen not to enter that market.

THE DEVELOPMENT OF COMPETITION IN OKLAHOMA

5. Before discussing the current competitive local environment in Oklahoma, it is important to define the basic components that comprise local exchange competition.
6. A company must have (or have access to) a telephone network and regulatory approval before being able to provide local exchange service. The following components provide the necessary building blocks for local exchange service:
7. **The Local Loop** – the connection from the end-user's premise to the local switch.
8. **The Local Switch** – the device that provides connection to other end-users and where dial tone and phone numbers reside.
9. **Interoffice Connection** – the connection from the local switch to either the interexchange carrier's (IXC) point-of-presence (POP) or another local exchange carrier's (LEC) telephone switch.



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Figure 1

10. Figure 1 illustrates how these network components are utilized in a traditional telephone network. Traditional LECs have been using this kind of basic network structure for years.
11. New CLECs, however, are choosing a different approach – one that takes advantage of more modern technology and is designed to serve a smaller number of customers (usually businesses with a large number of telephone or “access” lines) who may be less geographically scattered. This strategy, as illustrated in Figure 2 below, sometimes involves purchasing certain network elements from the incumbent local exchange carrier (ILEC) – and requires that the new CLEC be able to connect to the ILEC somewhere in the network so that calls can pass back and forth between the Southwestern Bell customers and CLEC customers.

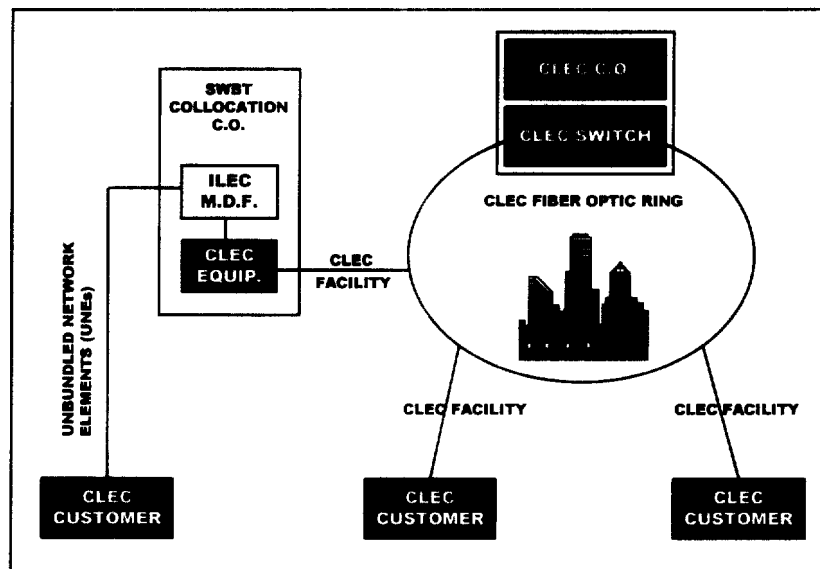


Figure 2

12. Figure 2 illustrates how modern-day CLECs typically operate in ILEC service areas. Many CLECs have built fiber rings around metropolitan areas. Some of these fiber rings have existed for a decade or more and initially were built to provide access to long distance

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networks for businesses with sufficient long distance traffic to justify dedicated trunks into their private branch exchange (PBX) systems. These fiber rings act as local loop connections to end-users. By adding a telephone switch to their fiber-based network and interconnecting with the ILEC, a CLEC is now ready to provide local exchange service.

13. CLEC fiber rings were initially constructed to reach a targeted group of customers for specialized services. In order to reach all customers in a given service area, a CLEC that does not want to construct additional facilities may establish interconnection and collocation arrangements with the ILEC.
14. Interconnection is established at a meet point in the ILEC's central office and provides the capability for routing circuits. The interconnection agreements set forth the policies and procedures to which each party must adhere for handling traffic and compensation.
15. Once a CLEC has established an interconnection agreement with the ILEC, the CLEC may collocate facilities. Collocation is the ability of the CLEC to put their equipment in the ILEC's office space and join their equipment to the ILEC's. There are two forms of collocation, physical and virtual. Physical collocation is the physical presence of CLEC equipment in the ILEC central office. Virtual collocation provides the same functionality as physical collocation but in this case, the collocation equipment is owned and maintained by the ILEC. The CLEC installs trunks and interconnects its facilities to the ILECs facilities at a meet point. Collocation and interconnection enable the CLEC to reach all the end users and access lines in the ILEC central office.
16. To be fully functional as a facilities-based CLEC, the CLEC must obtain its own set of telephone numbers from the Central Office Code Administrator. This allows the CLEC to

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assign numbers to new or existing customers as they request new lines. Telephone numbers are assigned in sets known as Central Office codes (NXX codes), with each set consisting of ten thousand unique telephone numbers. For example, if a CLEC obtained the NXX of 444, they would then have all the numbers from 444-0000 to 444-9999. (See the affidavit of William Adair for further details.

17. CLECs may purchase various network pieces from the ILEC in order to serve customers.

For example, a CLEC may provide its own switching but need the local loop facility to the end user. In this case, they would purchase the local loop network component from the ILEC. Such network components obtained from the ILEC are referred to as Unbundled Network Elements (UNEs). UNEs allow the CLEC to complement their existing network to provide service to all customers served from that central office. CLECs can obtain UNEs without being located in the ILECs central office.

18. CLECs that connect customers directly to their switch and fiber network, or who connect customers to their network using UNEs, are referred to as "facilities-based" CLECs. A facilities-based CLEC must have the following documents approved by the Corporation Commission of the State of Oklahoma before it may provide Local Exchange Services:

- a Certificate of Public Convenience and Necessity (CCN)
- an approved interconnection agreement. and
- filed price lists or Tariffs.

19. A number of CLECs in Oklahoma have done this. As of January, 1998, five CLECs, (Brooks Fiber, Cox Communications, American Communications Services Inc. (ACSI), Dobson (d.b.a.) Logix and US Long Distance) have completely fulfilled all of the

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necessary regulatory requirements to operate as facilities-based CLECs and have received state approval from the Oklahoma Corporation Commission to do so.

APPLICANT	APPLICATION APPROVED	AGREEMENT TYPE	AGREEMENT APPROVED	TARIFFS APPROVED
BROOKS FIBER COMM.	8/28/96	Interconnection	4/25/97	11/7/96
A C S I	3/25/97	Interconnection	6/25/97	6/25/97
COX OKLA. TELCOM	2/28/97	Interconnection	6/5/97	8/19/97
Dobson, Inc.	9/27/96	Interconnection	6/5/97	4/10/97
U.S. LONG DISTANCE	11/6/96	Interconnection	12/23/96	12/3/97

Figure 3

20. Five other CLECs, (AT&T, ICG Telecom Group, Intermedia Communications, Sprint and U.S West Interprises) only lack state-approval for their local service tariffs. Their entry as facilities-based CLECs could be imminent, or might only be limited by their internal business decisions to enter the market.

APPLICANT	Application Approved	Agreement TYPE	Agreement Approved	TARIFFS APPROVED
AT&T	5/7/96	Interconnection	8/18/97	-
ICG TELECOM GROUP	5/22/97	Interconnection	4/3/97	-
INTERMEDIA COMM.	8/29/97	Interconnection	7/8/97	-
SPRINT	8/30/96	Interconnection	4/3/97	-
U S West Interprise America	10/23/97	Interconnection	11/6/97	-

Figure 4

21. The approved, facilities-based CLECs, Brooks Fiber, Cox Communications, American Communications Services Inc., Dobson d.b.a. Logix and US Long Distance have interconnection facilities between their network and SWBT's network. As of January 13, 1998, these companies have installed interconnection trunks between their networks

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and SWBT's. Additionally, these CLECs have obtained collocation arrangements¹ (physical and virtual) in of the 40 wire centers wire centers in the Oklahoma and Tulsa metro areas and have collocation arrangements pending (physical and virtual).

22. Brooks Fiber, Cox Communications and Dobson each own and maintain their own fiber ring and switch in Oklahoma City. Brooks Fiber and ACSI own and maintain their own fiber ring and switch in Tulsa. These CLECs have placed their networks in the business/commercial areas of the city. Their combined fiber networks pass approximately % of Oklahoma City's business access lines and % of Tulsa's business access lines. (See Attachment A, Proximity Analysis, Oklahoma City and Tulsa.)
23. End users are moving from SWBT's network to the CLECs' networks. One indicator of this is number portability. As of January 13, 1998, SWBT has ported numbers from SWBT exchanges to new CLEC exchanges for switching. Each of these ported numbers is a business line that was once served by SWBT but is now served by a facilities-based CLEC.
24. Another indicator of customer movement from SWBT to the CLECs is White Page listings. As of January 16, 1998, there were listing for customers of CLEC telephone exchange service. These indicators are only a very rough approximation of the number of customers and lines lost by SWBT in Oklahoma, since only the CLEC is in the position to know where or if its customers were previously served. Still, these indicators suggest the growing presence of competition in the local market.

¹ Data as of end of 1997

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25. CLEC customer White Page listings reflect not only facilities-based competition, but also resale of SWBT's local service. Figure 5 below illustrates that SWBT has lost more than as of January 13, 1998.

TOTAL RESALE LINES IN SERVICE - OKLAHOMA

CLEC	Business	Residence	Totals
Brooks Fiber			
Chickasaw Telecom Svcs.			
Dial Tone USA			
Intermedia Communications			
Dial Tone Savers			
Fast Connections			
Dobson Communications (Logix)			
ACSI			
TOTALS			

Figure 5

26. These facts demonstrate the existence of local exchange competition in Oklahoma from both facilities-based providers and from resale, and for both business customers and residential customers.
27. The following sections describe the facilities-based CLECs in Oklahoma in more detail and further addresses their competitive local exchange activities. The maps of the CLEC fiber networks referenced in this analysis were prepared by SWBT from public information and/or visual inspection of the networks.

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CURRENT CLECS IN OKLAHOMA

28. Brooks Fiber Properties, Inc.

Brooks Fiber	Customers Served	Network Route Miles	Collocation Instances	Switch Status	Business Resold Lines	Residence Resold Lines	Inter- connection Trunks	Business Numbers Ported	Local Loop UNE's	Building on Net	Telephone Numbers Assigned
Oklahoma City	Business Residence			Operational						86	
Tulsa	Business Residence			Operational						36	
Total	See Service Area									122	

29. Brooks currently is providing facilities-based services to at least business lines in Oklahoma, based on the 'Business Numbers Ported' figure above. Each number ported to Brooks represents the conversion of an existing subscriber line from SWBT to Brooks. Brooks is also providing facilities-based service to subscribers over at least SWBT unbundled loops, utilizing its own switching facilities. SWBT is unable to determine whether the unbundled loops are being used to serve business or residential customers.
30. Brooks has filed tariffs to provide facilities-based local service to both business and residential subscribers subject to where Brooks facilities are available. (See Attachment B, OCC Tariff Number 2, page 2.2 Brooks Fiber Communications.)
31. Since October 31, 1997 Brooks has advertised the availability of local service for both residential and business customers. (See Attachment C, Advertisements, Page 3 - Brooks.) The availability of this service was also confirmed by Brooks, in a letter sent to the OCC, in which it formally committed to accept orders for residential service within its Oklahoma service areas. (See Attachment D, Letter Dated September, 1997.) Based on its internal records, SWBT believes Brooks is presently serving at least residential subscriber lines through resale of SWBT services.

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32. SWBT has confirmed that Brooks is offering and providing service to residential subscribers in both Oklahoma City and Tulsa by having several SWBT employees sign up for Brooks service. As reflected in Attachment E, Affidavits of Karen Abney, Toni Kirkpatrick, Tim Kubiak, Tim Ryan, Debie Weeks, Terri Weise and Maxie Wood, Brooks Fiber is providing local residential service to at least two SWBT employees and has committed to provide service to four additional SWBT employees. These affidavits demonstrate that Brooks does in fact make residential service generally available to subscribers in its Oklahoma City and Tulsa service areas.

33. Brooks' network in Oklahoma City uses SONET fiber ring technology and covers over route miles of fiber optic cable (See Attachment F, Competitive Fiber Maps - Oklahoma City.) and includes a Lucent Technologies 5ESS central office switch.

34. Brooks' network in Tulsa also uses SONET fiber ring technology and consists of approximately route miles (See Attachment F, Competitive Fiber Maps - Tulsa.) and also includes a Lucent Technologies 5ESS central office switch.

35. All of these facilities directly compete with Southwestern Bell's local exchange network. Brooks Fiber's facilities also include facilities obtained from Southwestern Bell on an unbundled basis or under an equivalent lease.

36. In Oklahoma, Brooks offers residential and business services, including:²

- Local Phone Service (dial tone)
- High speed connections between businesses and their long distance carriers
- Wide area connections between a company's computer networks in different locations
- Centrex business phone systems

² Brooks News - Brooks Press Release dated December 17, 1996

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- Videoconferencing
- High speed data transmission

37. Dobson Communications Corporation

Dobson	Customers Served	Network Route Miles	Collocation Instances	Switch Status	Business Resold Lines	Residence Resold Lines	Inter-connection Trunks	Business Numbers Ported	Local Loop UNE's	Building on Net	Telephone Numbers Assigned
Oklahoma City	Business Residence			operational						unknown	

38. Based on available information, SWBT believes Dobson is providing facilities-based services to business and/or residential subscribers in Oklahoma City. Dobson is also providing service to residential subscribers in Oklahoma City through its subsidiary Logix Communications.

39. While SWBT has no information concerning the specific number of business and/or residential subscribers Dobson is currently serving on a facilities basis or what compensation arrangements might be for this service, Dobson has all of the necessary elements to provide local service. Specifically, Dobson has an extensive 400 mile fiber network (See Attachment F, Competitive Fiber Maps.); assigned NXX codes providing available phone numbers; a working physical collocation arrangement and one switch currently in place³. Most importantly, SWBT is passing local traffic to Dobson via Dobson's interconnection trunks. Based on the quantity of local interconnection trunks in place, Dobson could reasonably serve to business and/or residential lines in Oklahoma City. Taken together, these facts indicate Dobson is providing facilities-based service to business and/or residential subscribers in Oklahoma City. (See Attachment C, Advertisements - Page 1,2, 4, 5, 6,7.)

³ The Daily Oklahoman, Oklahoma Has New Telephone, Cellular Option, December 3, 1997, Bob Vanderwater

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40. As of December 2, 1997, Dobson's subsidiary, Logix, began offering local telephone services, long distance, cellular and paging services in the Oklahoma City market. (See Attachment G, December 3, 1997 article from the Daily Oklahoman.) Residential customers interested in switching from Southwestern Bell's service to Logix must also take the company's long distance service.⁴

41. Dobson Communications provides local telephone, long distance, cellular, wireless and Internet services, as well as fiber optic, network management, telemedicine and distance learning services to customers across Oklahoma, Texas, Kansas, Missouri, Maryland and Arizona.⁵

42. Cox Oklahoma Telecom

COX	Customers Served	Network Route Miles	Collocation Instances	Switch Status	Business Resold Lines	Residence Resold Lines	Inter-connection Trunks	Business Numbers Ported	Local Loop UNE's	Building on Net	Telephone Numbers Assigned
Oklahoma City	Business Residence			Operational						38	

43. Based on available information, SWBT believes Cox Oklahoma Telecom is providing facilities-based service to business and/or residential customers in Oklahoma City.

44. Cox Communications, parent company of Cox Oklahoma Telecom, has a \$26,000,000 network deployed throughout the Oklahoma City metropolitan area with 2,000 miles of existing coaxial cable that links most homes in Oklahoma City and serves approximately 116,081 cable television subscribers.⁶ Cox has completed a mile fiber network upgrade making the network capable of providing two-way telephone transmissions.

45. While SWBT has no information concerning the specific number of business and residential customers Cox is currently serving on a facilities basis, or what the

⁴ The Daily Oklahoman, Oklahoma Has New Telephone, Cellular Option, December 3, 1997, Bob Vanderwater

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compensation arrangements for this service might be, Cox has all of the necessary elements for providing facilities-based service to business and residential subscribers in Oklahoma City. Cox has an extensive fiber network, a working physical collocation arrangement, operational switch and available telephone numbers. Further, Cox is passing local traffic over its interconnection trunks from its network to SWBT's network. Based on the quantity of local interconnection trunks in place, Cox could reasonably serve to business and/or residential lines in Oklahoma City.

46. *American Communications Services Inc. (ACSI)*

ACSI	Customers Served	Network Route Miles	Collocation Instances	Switch Status	Business Resold Lines	Residence Resold Lines	Inter-connection Trunks	Business Numbers Ported	Local Loop UNE's	Building on Net	Telephone Numbers Assigned
Tulsa	Business Residence			operational						unknown	

47. According to its own corporate publications, American Communications Services Inc. (ACSI) "provides an alternative to the ILEC, by offering local dial tone, long distance services, dedicated access and advanced data networking solutions to business customers in mid-sized markets primarily in the southern half of the United States."⁷ The facts itemized above, demonstrate that ACSI is fully capable of serving both business and residential customers on a facilities basis through use of its fiber network, collocation arrangement, assigned telephone numbers and operational switch.

48. ACSI announced on June 11, 1997 that it launched local phone service for businesses in Tulsa, increasing the number of markets in which it provides competitive dial tone to 25.⁸

⁷ American Communications Services Home Page, ACSI Corporate Overview

⁸ Telephony, 06/12/97

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(See Attachment C, Advertisements - Page 6. ACSI.) Additionally, ACSI offers residential local telephone service in Tulsa via resale.⁹

49. ACSI's Tulsa fiber optic network covers the city's central business district, including Second, Bolder, Detroit and Sixth Streets, and passes landmarks such as the Bank of Oklahoma, Oneok Building and Williams Tower. Through a local data POP, Tulsa businesses can also be connected to ACSI's coast-to-coast data network.¹⁰

THE COMPETITIVE IMPACT IN OKLAHOMA

50. With their operational fiber optic networks and central office switches, the CLECs have ready access to a large number of business and residential end-users. Both collocation and fiber presence indicate the CLECs' initial focus. They have deployed fiber and collocated in central offices that serve predominantly business customers. In this section, we discuss the addressable market - the number and types of customers that are available to these CLECs, given their existing facilities.

Collocation Analysis

51. Once a CLEC is collocated in a SWBT central office, they have access to all the end-users and access lines that are served by that central office. Instead of having to serve these end-users via the CLEC's own fiber facilities, the CLEC can serve them via unbundled local loops in combination with the CLEC's own switch. To demonstrate the addressable market available through collocation arrangements, the table in Figure 6 compares current collocation activity in Oklahoma City and Tulsa with associated access lines and revenues.

⁹ PR Newswire, ACSI Launches Competitive Local Telephone Service For Business Customers in Tulsa, 06/11/97

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COLLOCATION ACTIVITY									
OKLAHOMA									
	Mar-97	Jun-97	Sep-97	Dec-97	Metro Total	Mar-97	Jun-97	Sep-97	Dec-97
Collocation Offices									
1 Offices with Collocation									
2 Instances of Collocation									
Access Lines in Offices with Collocation (000's)									
3 Business									
4 Residence									
5 Total									
Revenues in Offices with Collocation (000's)									
6 Business									
7 Residence									
8 Carrier Access									
9 Total									
Collocation Electronics (000's)									
10 VGE Capacity									
11 VGE In-Service									

Figure 6

52. Line 1 of Figure 6 (Offices with Collocation) shows the number of distinct central offices and percentages of central offices in the Oklahoma City and Tulsa metropolitan areas with collocation. Totals by quarter are displayed to show the rate of change for 1997. Multiple CLECs may collocate in the same central office. This indicates increased competition in serving the same customers. Therefore, we include each instance of collocation on Line 2 of Figure 6 (Instances of Collocation).

53. Lines 3 and 4 of Figure 6 identify the number of business and residential access lines in the collocated central offices. As demonstrated by the table, these central offices are populated predominantly with business customers.

54. Lines 6 through 9 of Figure 6 identify the associated revenues including carrier access revenue. These central offices account for % of the total access lines and % of the total revenues in the Oklahoma City and Tulsa metropolitan areas. The table demonstrates

¹⁰ High-Speed Networking Newsletter, ACSI Launches Fiber Optic Telecommunications Network in Tulsa

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that significant access lines and revenue are available to CLECs in the collocated wire centers.

55. Lines 10 and 11 display voice grade equivalents (VGE). VGEs are calculated based on the number of DS1 and DS3 facilities between the collocator and SWBT's central office. A DS1 is equivalent to twenty-four (24) VGEs encoded at 64 Kbps. A DS3 is equivalent to 28 DS1 channels. Line 10 of Figure 6 shows the number of access lines that collocated CLECs have the capacity to serve, if those facilities were converted to local exchange facilities, based on the type of equipment that is collocated in the SWBT offices. Line 11 of Figure 6 shows the number of circuits in service from this collocated equipment. In Oklahoma, the CLECs have ordered collocation facilities with the capacity of approximately VGEs, of which of these were in service as of December 1997.

56. The result of our analysis demonstrates the degree to which the CLECs have sunk costs into collocation facilities, underscoring their long-term commitment to provide local exchange service. Collocation enables the CLECs to reach over % of customers in the Oklahoma City and Tulsa metro areas. Since these central offices serve predominantly business end-users, the CLECs' potential revenue is greater than if the central offices served predominantly residential end-users.

Proximity Analysis

57. The majority of facilities-based CLECs' current customers are located between 500 feet and 1000 feet from their fiber optic networks. However, there are known cases where CLECs have built out as far as 5000 feet from their main fiber ring to serve certain customers.

and Unveils 50-Mile, Multimillion-Dollar Network Expansion in 1997, 01/01/97

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58. A significant quantity of SWBT's business and residential access lines are within 1000 feet of the networks of Brooks Fiber, Dobson Communications and Cox and ACSI in Oklahoma City and/or Tulsa. Analysis in figures 7 and 8 provides a review of switched lines and revenues at risk to SWBT. These revenues do not include long distance or access revenues attendant to serving a SWBT customer.

59. The number of addressable lines and locations is understated in figures 7 and 8 due to the fact that SWBT has not documented the total fiber optic networks of these CLECs. As a consequence, there are lines and accounts that would otherwise be added to this analysis. Some of the CLEC's fiber is located in conduit that does not belong to SWBT and to which SWBT does not have access. This proximity analysis also does not include data on Personal Communications Services (PCS) networks currently under construction and, therefore, understates the actual locations, lines, and revenues potentially at risk in the area.

60. The attached fiber maps contain overlay maps of Brooks Fiber, Cox Communications, ACSI and Dobson Communications' networks in Oklahoma City and Tulsa showing the proximity of these networks to SWBT's business and residential lines in these areas. The overlay maps graphically demonstrate the strategic placement of these competitive networks. (See Attachment F, Competitive Fiber Maps, Proximity Analysis)

Oklahoma City

61. Figure 7 presents the results of a January 9, 1998 proximity analysis within SWBT's local serving territory in the Oklahoma City metropolitan area. The table shows the number of lines within 1000 feet of CLEC fiber routes.

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SWBT Switched Lines within Proximity of CLEC Fiber in Oklahoma City

	Business		Residence	
	Less than 500'	500' to 1,000'	Less than 500'	500' to 1,000'
Brooks Fiber				
Cox Communications				
Dobson				
Total				

Figure 7

Summary

62. % of all business lines in Oklahoma City are within 500 feet of the combined facilities of the three CLECs mentioned above. Another % of business lines are between 500 and 1000 feet. (See Attachment A, Proximity Analysis – Oklahoma City)
63. % of all residential lines in Oklahoma City are within 500 feet of the combined facilities of the three CLECs above. Another % of residential lines are between 500 and 1000 feet. (See Attachment A, Proximity Analysis – Oklahoma City)
64. The Cox proximity analysis is based on the known fiber optic network of Cox in Oklahoma City. We do not use their coaxial CATV network in this analysis. However, their coaxial CATV network would extend their network reach to more locations and therefore increase the number of associated lines and revenues at risk. (See Attachment F, Competitive Fiber Maps - Oklahoma City - Proximity Analysis)

Tulsa

65. Figure 8 presents the results of a proximity analysis within SWBT's local serving territory in the Tulsa metropolitan area. The table shows the number of lines within 1000 feet of CLEC fiber routes.

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SWBT Switched Lines within Proximity of CLEC Fiber in Tulsa

	Business		Residence	
	Less than 500'	500' to 1,000'	Less than 500'	500' to 1,000'
ACSI				
Brooks Fiber				
Total				

Figure 8

Summary

66. % of all business lines in Tulsa are within 500 feet of the combined facilities of the three CLECs above. Another % of business lines are between 500 and 1000 feet. (See Attachment A, Proximity Analysis – Tulsa)

67. % of all residential lines in Tulsa are within 500 feet of the combined facilities of the three CLECs above. Another % of residential lines are between 500 and 1000 feet. (See Attachment A, Proximity Analysis - Tulsa)

Multiple Dwelling Units

68. Multiple Dwelling Units (MDUs) typically contain a large quantity of residential telephone users in a small geographical area that makes these locations attractive to facilities-based CLECs.

69. To make the apartment complex attractive to prospective customers, the property manager might bundle local and long distance telephone service with CATV and apartment security. Local service is usually provided either by a PBX switch located on the complex' premise or by Centrex-type service provided by an ILEC or CLEC.

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70. The trunks, Centrex stations, or residential access lines typically have one point of demarcation at the apartment complex. From there, the apartment owner is responsible for wiring to each individual unit. There is less installation and maintenance for the serving telephone company to perform when there is only one point of demarcation versus many points. This is why these locations are very attractive to the facilities-based CLECs. They only have to connect to one point to serve many customers.
71. Essentially, a CLEC uses the same facilities and network connections to serve a residential customer in a MDU as it does to serve a business customer in an office building.
72. In Oklahoma City, there are approximately apartment complexes comprising approximately individual units. In Tulsa, there are approximately apartment complexes comprising units.
73. In this analysis, we assume that each individual unit equates to one switched residential line, and the average monthly rate for each switched line is \$. The analysis shows that approximately % of the units in Oklahoma City and % of the units in Tulsa are within 500 feet of CLEC fiber facilities. Thus, the facilities-based CLECs have a significant number of residential users in apartment complexes readily available to them.
74. As the following tables show, competitors in Oklahoma City and Tulsa are well positioned to serve these customers over their existing network if they so choose. (See Attachment F, Competitive Fiber Maps, Proximity Analysis - MDUs.)

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Proximity Analysis of MDUs in Oklahoma City

Distance from Fiber	Quantity of Units /Switched Lines		Monthly Revenue	
Less than 500 ft				
Between 500 ft and 1000 ft				
Greater than 1000 ft				
Totals				

Proximity Analysis of MDUs in Tulsa

Distance from Fiber	Quantity of Units /Switched Lines		Monthly Revenue	
Less than 500 ft				
Between 500 ft and 1000 ft				
Greater than 1000 ft				
Totals				

Summary of Addressable Market Analysis

75. As a result of this analysis, I conclude that the facilities-based CLECs are well positioned in Oklahoma City and Tulsa to provide local exchange service. The CLECs have chosen the most lucrative central offices that contain predominantly business customers. With their collocation facilities in place, they could purchase UNEs and capture 100% of the end-users served by those central offices.

76. Furthermore, these facilities-based CLECs have significant network facilities in place with local exchange switches and local fiber optic networks. Their fiber networks position them to reach almost of the business customers in Oklahoma City.

DRAFT - COMPETITIVE AFFIDAVIT - OKLAHOMA

January 27, 1998

ATTACHMENTS

- Attachment A** *Proximity Analysis - Oklahoma City*
Proximity Analysis - Tulsa
- Attachment B** *OCC Tariff Number 2 (page 2.2) Brooks Fiber Communications*
Oklahoma City
Tulsa
- Attachment C** *Advertisements*
1. Local Service Alternatives - Oklahoma City
2. Local Service Alternatives - Tulsa
3. Brooks Fiber - The Daily Oklahoman
4. Dobson Communications Web Page
5. Dobson Communications Web Page (map_dobmisc.html)
6. Logix - Yellow Pages - Oklahoma City
7. Logix - Yellow Pages - Tulsa
8. ACSI
9. Dial Tone Savers - Chickasha Daily Express
10. Dial Tone Savers - Yellow Pages - Oklahoma City
- Attachment D** *Letter to OCC dated September, 1997*
- Attachment E** *Affidavits*
Karen Abney
Toni Kirkpatrick
Tim Kubiak
Tim Ryan
Debie Weeks
Terri Weise
Maxie Wood
- Attachment F** *Competitive Fiber Maps*
Competitive Fiber Networks - Oklahoma City - Brooks, Cox, Dobson
Fiber Only
Proximity Analysis - Business
Proximity Analysis - Residence
Proximity Analysis - MDU's

Competitive Fiber Networks - Tulsa - ACSI, Brooks
Fiber Only
Proximity Analysis - Business
Proximity Analysis - Residence
Proximity Analysis - MDU's
- Attachment G** *December 3, 1997 article from the Daily Oklahoman*

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ATTACHMENT A PROXIMITY ANALYSIS

PROXIMITY ANALYSIS - OKLAHOMA CITY, OK

Business

CLEC	Distance from Fiber	Quantity of Accounts		Quantity of Switched Lines		Monthly Revenue	
Brooks	Less than 500 ft	7,724	18%	40,132	25%	1,706,147	26.7%
Brooks	Between 500 ft and 1000 ft	2,779	7%	14,890	9%	500,745	7.8%
Brooks	Greater than 1000 ft	31,580	75%	105,756	66%	4,194,734	65.5%
Brooks	Totals	42,083		160,778		6,401,626	
Cox	Less than 500 ft	14,325	34%	61,441	38%	2,433,673	38%
Cox	Between 500 ft and 1000 ft	5,788	14%	25,542	16%	1,022,052	16%
Cox	Greater than 1000 ft	21,970	52%	73,795	46%	2,945,900	46%
Cox	Totals	42,083		160,778		6,401,626	
Dobson	Less than 500 ft	1,616	4%	17,389	11%	714,265	11%
Dobson	Between 500 ft and 1000 ft	459	1%	2,367	1%	114,199	2%
Dobson	Greater than 1000 ft	40,008	95%	141,022	88%	5,573,162	87%
Dobson	Totals	42,083		160,778		6,401,626	
All CLECs	Less than 500 ft	17,171	41%	76,208	47%	3,121,994	49%
All CLECs	Between 500 ft and 1000 ft	5,201	12%	22,112	14%	772,827	12%
All CLECs	Greater than 1000 ft	19,711	47%	62,458	39%	2,506,805	39%
All CLECs	Totals	42,083		160,778		6,401,626	

Residence

CLEC	Distance from Fiber	Quantity of Accounts		Quantity of Switched Lines		Monthly Revenue	
Brooks	Less than 500 ft	15,245	5%	16,448	5%	446,162	5%
Brooks	Between 500 ft and 1000 ft	15,682	5%	17,141	5%	450,853	5%
Brooks	Greater than 1000 ft	290,725	90%	325,031	91%	8,526,063	90%
Brooks	Totals	321,652		358,620		9,423,078	
Cox	Less than 500 ft	64,397	20%	69,941	20%	1,878,347	20%
Cox	Between 500 ft and 1000 ft	47,671	15%	52,638	15%	1,393,931	15%
Cox	Greater than 1000 ft	209,584	65%	236,041	66%	6,150,800	65%
Cox	Totals	321,652		358,620		9,423,078	
Dobson	Less than 500 ft	799	0.2%	876	0.2%	24,838	0.3%
Dobson	Between 500 ft and 1000 ft	1,204	0.4%	1,345	0.4%	37,577	0.4%
Dobson	Greater than 1000 ft	319,649	99.4%	356,399	99.4%	9,360,663	99.3%
Dobson	Totals	321,652		358,620		9,423,078	
All CLECs	Less than 500 ft	71,051	22%	77,208	22%	2,073,530	22%
All CLECs	Between 500 ft and 1000 ft	50,083	16%	55,392	15%	1,464,851	16%
All CLECs	Greater than 1000 ft	200,518	62%	226,020	63%	5,884,697	62%
All CLECs	Totals	321,652		358,620		9,423,078	

Residence and Business data is for month of November 1997